Return of Income accruing and arising in British India.

Name.	Residence or place of business.	Sources of income under Parts I, II, III and IV specifying each part and each heading under each part separately.	Income derived from each of these sources during the past year, mentioning the period during which the income from each source has been derived.	Names of sharers, if any, in the income mentioned in column 4, with specification of their Shares.	REMARKS.
	2	3	4	5	6
		1. From Profession or Trade.	Rs.		1. Here state whether you are agent, trustee or executor, &c., for any one, and if so, for whom (*vide* para. 7 of instructions below).
		2. From Interest on money (other than that invested in Government Securities, Port Trust or Municipal Debentures, or in Joint Stock Companies).	Rs.		2. Here enter in detail the number and description of shares in Joint Stock Companies.
		3. Landed Estate. (*State below the number of each house and the street in which it is situated.*) *N.B.*—If you are living in your own house, it must also be entered here with its annual valuation as shown in the Municipal Books.	Rs.		3. If you possess Government Securities or Municipal, Port Trust, or any other Debentures, state here the interest received by you during the last year. 4. Here specify income under Part I. (If employed, state where employed). 5. Specify payments made to Insurance Companies (*vide* para. 5 of instructions below). 6. Any other remarks.

I, , do declare that the income stated in this return is truly estimated on all the sources therein mentioned, that it has actually accrued within the period therein stated, and that I have no other source of income.

(Signature of the Party making the Return.)

INSTRUCTIONS FOR THE GUIDANCE OF THE PARTY MAKING THE RETURN.

1. In the case of a firm, the ordinary designation of the firm should be entered in column 1.

2. If the person or firm making the returns has several places of residence or business they should be all mentioned in Column 2, the principal place of residence or business being specified.

3. In Columns 3 and 4 every separate source of income accruing and arising in British India should be entered in detail as therein required.

4. Against the gross receipts no deduction should be made on account of disbursements or expenses not wholly and exclusively incurred in respect of the profits returned; nor should deduction be made on account of the maintenance of the person himself or his family, or domestic establishment, nor on account of any public or local rates, cesses, or taxes, other than rates or taxes payable by such person as imposed by or under any enactment or rule in force in a Municipality or Cantonment as such in respect of his ownership of any build-

ings or lands not used for agricultural purposes, and otherwise than in consideration of services performed or accommodation supplied.

5. Sums paid to an Insurance Company in respect of an insurance or deferred annuity on the life of the person assessed, or on that of his wife should not be deducted from the amount of income to be shown in Column 4, but should be specified in Column (6) of Remarks. On presentation by the assessee of the receipt of the Insurance Company for the payment and a copy thereof, a deduction not exceeding one-sixth of the income of the assessee will be allowed by this Department.

6. A deduction should, in the case of rent or income from houses or lands not used for agricultural purposes, be made of the amount payable by the person in question on account of any tax or rate imposed by or under any enactment or rule in force in a Municipality or Cantonment as such in respect of his ownership of such buildings, or lands, and not being a rate, cess, or tax in consideration of services performed or accommodation supplied.

7. If the person filling in the return is chargeable (1) as a trustee, guardian, curator, or committee of any infant, married woman subject to the law of England, lunatic or idiot; (2) as an agent of a non-resident; (3) as receiver or manager appointed by any Court in India, a Court of Wards, an Administrator General or an Official Trustee in respect of income officially in his possession or under his control, the fact should be stated in the column of Remarks.

N.B.—Section 35. "If a person makes a statement in a declaration mentioned in Section 18, Sub-section (2), which is false, and which he either knows or believes to be false, or does not believe to be true, he shall be deemed to have committed the offence described in Section one hundred and seventy-seven of the Indian Penal Code."

(G. Ns. Nos. 2321, dated 4th August 1886, 4480, dated 12th November 1889, 3139A, dated 25th September 1894, and 1983, dated 26th April 1899.)

6. Under paragraph (4) of the Notification of the Government of India in the Foreign Department No. 300-I., dated the 26th January 1887, extending Act II of 1886 (An Act for imposing a Tax on Income derived from sources other than Agriculture) to the Cantonment of Deesa, His Excellency the Governor in Council is pleased to extend to the said Cantonment the rules made under Sub-section (1) of Section 18 of the said Act (excepting Rules 2 and 5), published under Government Notification No. 2321 at pages 651 to 653 of Part I of the *Bombay Government Gazette*, dated 5th August 1886, and to direct that the words "Cantonment of Deesa" be added to the list of towns and cantonments noted in the margin of Rule 4. (G. R. No. 1626, dated 29th June 1887.)

7. The following rules made by the Governor in Council in exercise of the power delegated to him under Section 38 of Act II of 1886 by the Honourable the President in Council are published for general information:—

1. For the purpose of ascertaining and determining any income chargeable with tax under Part IV of the second schedule to the said Act, the gross receipts from every source of income not included in Part I, Part II, or Part III, of the said schedule shall be computed, no deduction being

allowed on account of the maintenance of the person whose income is to be assessed, or of his family or domestic establishment, nor on account of any disbursement or expense not specially exempted from assessment by Section 5 of the said Act, or not wholly and exclusively incurred in respect of the source of income in question, nor shall any deduction be allowed on account of any tax, rate or cess to which such person is liable, other than a tax or rate imposed by or under any enactment or rule in force in a Municipality or Cantonment as such, on that person in respect of his ownership of any buildings or lands not used for agricultural purposes, and otherwise than in consideration of services performed or accommodation supplied.

2. Any person who claims exemption from taxation in respect of any income under clause (*e*) of Sub-section (*1*) of Section 5 of the Act, shall adduce proof that the property from which such income is derived is "solely employed for religious or public charitable purposes;" and on his establishing such right of exemption, to the satisfaction of the Collector, shall be entitled to receive from the said officer a certificate to that effect, which, if the property consists of securities, shall be in the Form A hereto annexed which has been prescribed in this behalf by the Honourable the President in Council in No. 10 of the Rules published in the Government of India's Notification* No. 593 of 5th February 1886, and, in every other case, shall be in the Form B hereto annexed.

* *Vide Bombay Government Gazette* of February 11th, 1886, Part I, page 112.

3. The conclusion of any arrangement by a Collector, under Sub-section (2) of Section 9 of the said Act, with a company, or with a public body or association not being a local authority or company or with a private employer shall be subject to the following conditions (*viz.*) :—

(1) that the Collector may, if the conclusion of any such arrangement will thereby be facilitated, allow such company, body, association or employer to deduct from the amount of tax to be recovered by such company, body, association or employer on behalf of Government from the person or persons receiving any salary, annuity, pension or gratuity from such company, body, association or employer, a commission at such rate not exceeding two per centum of the amount of the tax as they shall mutually agree upon;

(2) that the amount of the tax recovered on behalf of Government shall be paid by such company, body, association or employer, after deducting the commission, if any, agreed upon as aforesaid, to the credit of Government into such treasury or bank as the Collector directs, within one week after payment of the salary, annuity, pension or gratuity in respect of which such tax has been recovered.

4. The lists to be prepared by Collectors under Section 16 of the said Act shall be in English in the City of Bombay, and, elsewhere, shall be in the vernacular language officially used by the Collector, and also, if the Collector thinks fit, either wholly or in part, in some other vernacular language or in English.

5. Applications to compound for the tax assessable under Part II or Part IV of the second schedule to the Act shall be made in writing to the Collector.

6. Agreements for composition shall be in the Form C or D hereto annexed, as the case may be, or as near thereto as may be, and shall be for a period of not less than three years and not more than five years. Each agreement shall be made in two parts, one of such parts, signed by the person compounding, remaining with the Collector, and the other part, signed by the Collector, remaining with the person compounding.

7. No agreement for composition for any tax chargeable under the Act shall be entered into, unless the income on which such tax is to be assessed amounts in the City of Bombay and in Aden and Perim to Rs. 10,000 or upwards, and elsewhere to Rs. 2,000 or upwards.

8. The amount of the composition shall in every case of a tax assessable under Part IV of the schedule aforesaid, be a sum equal to one hundred and five per centum of the amount of the tax at which the person compounding is finally assessed under the provisions of the Act for the first year of the period comprised in the agreement.

9. If any person who has compounded for the tax assessable under Part IV of the schedule aforesaid dies, or becomes bankrupt or insolvent before the expiration of the period comprised in his agreement, his agreement shall determine on the thirty-first day of March next after his death, bankruptcy or insolvency, save and except as to any portion of the amount of composition which before the said day shall have become payable and shall then be unpaid.

FORM A.

(Government of India's Form No. D. under their Rule 10.)

I, , Collector of Income Tax, , do hereby certify that the interest on the security specified below, standing in the name of , is employed solely for purposes :—

Description of Security.	Number.	Date.	Amount.

Dated _____ 188 .

Income Tax Collector.

FORM B.

I, , Collector of Income Tax, , do hereby certify that the income derived from the property specified below, standing in the name of , is employed solely for purposes, and has accordingly been exempted from assessment for the Income Tax for the year ending 31st March 188 :—

Description of Property.	Municipal No.	Amount of Income from the Property.	Remarks.

Dated 188 .

Income Tax Collector.

FORM C.

Agreement for composition for tax on income made under Section 31 of Act II of 1886, between the Collector of and hereinafter called the 'compounding party.'

It is hereby agreed—

1. That for a period of years from the 31st day of March 188 the tax assessable upon the income of the compounding party derived from sources other than those mentioned in Parts I, II or III, of the second schedule to the said Act and accrued in the shall be computed as follows *viz.*:—For the first year at Rupees and for each subsequent year at Rupees .

2. That the amount of such composition shall be paid without deduction on the day of next and the amount of Rupees for each subsequent year shall be paid without deduction on the day of in each subsequent year during the said period by the compounding party to the Collector at the office of the Collector.

3. That if default be made in payment of any of the said amounts on the date fixed for payment thereof, such amount shall be recoverable in the same manner and by the same means as any other assessment made under Part IV of the second schedule to the said Act.

4. If the compounding party dies or becomes bankrupt or insolvent before the expiration of the said period of years this agreement shall determine on the 31st day of March next after such death, bankruptcy or insolvency save and except as to any portion of the amount of composition which before the said day shall have become payable and shall then be unpaid. In witness whereof the Collector hath signed one part of this agreement and the compounding party hath signed the other part thereof this day of 188 .

Witness to the signature of the Collector of

Witness to the signature of

FORM D.

Agreement for composition for tax on income made under Section 31 of Act II of 1886, between the Collector of and hereinafter called 'the company.'

It is hereby agreed—

1. That for each and every year for a period of years from the 31st day of March 188 , the tax assessable upon the whole of the net profits made in British India by the company shall be computed at Rs.

2. That the amount of such composition Rs. shall be paid without deduction on the day of in each year of the said period by the company to the Collector at the office of the Collector.

3. That if default be made in payment of any of the said amounts on the date fixed for payment thereof, such amount shall be recoverable in the same manner and by the same means as any other assessment made under Part II of the Second Schedule to the said Act.

In witness whereof the Collector hath signed one part of this agreement, and the said company hath affixed its seal and duly executed the other part thereof.

Dated this day of 188 .

Witness to the signature of the Collector.

The common seal of the Company, Limited, hath been affixed hereto in pursuance of a resolution of the Board of Directors in the presence of

(G. Ns. Nos. 1791, dated 23rd June 1886, 4480, dated 12th November 1889, and 3139, dated 25th September 1894).

8. In exercise of the powers conferred by Sections 6 and 38 of Act II of 1886, the Governor-General in Council is pleased, in supersession of the Notifications in the Department of Finance and Commerce,—

No. 579, dated the 3rd May 1886,
„ 2003, „ 16th July 1886,
(*a*) „ 2633, „ 19th August 1886,
(*b*) „ 2929, „ 3rd September 1886,
(*c*) „ 3920, „ 29th October 1886,
(*d*) „ 4330, „ 25th November 1886,
(*e*) „ 4010, „ 26th July 1887,
(*f*) „ 6911, „ 30th December 1887,
(*g*) „ 676, „ 8th February 1888,
(*h*) „ 1650, „ 27th March 1888,
(*i*) „ 1703, „ 30th March 1888,
„ 806, „ 14th February 1889,
(*j*) „ 3065, „ 20th June 1889,

(*a*) Republished at p. 730 of Pt. 1 of the *B. G. G.* dated 2nd Sept. 1886.
(*b*) „ „ 749 „ „ 9th „ „
(*c*) „ „ 949 „ „ 4th Nov. „
(*d*) „ „ 1017 „ „ 2nd Dec. „
(*e*) „ „ 721 „ „ 18th Aug. 1887.
(*f*) „ pp. 1 and 2 „ „ 5th Jan. 1888.
(*g*) „ p. 135 „ „ 16th Feb. „
(*h*) „ „ 323 „ „ 5th Apl. „
(*i*) „ „ „ „ „ do. „
(*j*) „ „ 561 „ „ 27th June 1889.

(A) to exempt from liability to the tax payable, and to assessment, under the said Act—

(1) the income of persons (other than persons in the service of the Government) residing in—

(*a*) the scheduled districts of the Presidency of Madras;

(*b*) the Hill Tracts of Chittagong;

(*c*) the Mewás States under the Khándesh Political Agency;

(*d*) the Khondmals and the Mahál of Angul in Orissa;

(2) the income of Universities or other associations or bodies existing solely for educational purposes, and of local authorities as defined in Section 3 of the Act, provided that the exemption shall not extend to interest payable on a Government security in respect of any period (the period running to date of payment of interest from last date of payment thereof) during which a transfer of the security has been effected.

(3) the official allowance which an Agent of a Prince or State in India in alliance with Her Majesty, who has been duly accredited to represent the Prince or State for political purposes in any place within the limits of British India, receives as such Agent in British India from the Prince or State;

(4) any capital sum paid in commutation of the whole or a portion of a pension;

(5) so much of the income of a person as is derived solely and directly from the production of indigo or the preparation thereof for the market: provided that nothing in this clause shall be construed to affect Section 5, sub-section (2), of the Act with respect to the liability of an officer or servant of a person to whom this clause applies;

(6) such portion of any person's income as is paid to any Service Fund, Mutual Benefit Fund, Friendly Society, or other legally established Association, not being a company within the meaning of Section 3, sub-section (2), of the Act, in respect of an insurance or deferred annuity on his own life or on the life of his wife, in the same way as if the payment were made to an Insurance Company;

(7) such portion of the income of any person in the service of the Government, or of any Local Authority, or of any Railway Company, as is paid into any Provident Fund established under the authority, or with the permission of the Government, and as is not repayable to him at his option so long as he remains in such service:

Provided that the amount of income exempted under No. (6) and No. (7), together with the amount exempted under section 5, sub-section (1), clause (*g*), of the Act, shall not exceed one-sixth of the whole income in respect of which the person would, but for these exemptions, be liable;

(8) Interest on securities which are held by, or are the property of, a Service Fund or a Friendly Society, as defined below :—

For the purposes of this exemption, a Service Fund is a fund established under the authority, or with the permission of Government for the purpose of securing deferred annuities to the subscribers, or payments to them in the event of their resignation of or dismissal from the service in which they are employed, or provision for their wives or children after their death, or payments to their estate or their nominees upon their death, to which the servants of Government, or of a Local Authority, or of a Railway Company, are alone admissible as subscribers or members, and the funds of which are either deposited with the Government or invested in Government Securities; and a Friendly Society is a Mutual Association established for the purpose of securing deferred annuities to the subscribers, or provision for their wives or children after their death, or payments to their estate or their nominees upon their death, and in which the payment which may be made in respect of any one nominee does not exceed either a single payment of Rs. 3,000 or an annual payment of Rs. 500.

Note.—The East Indian Railway Savings Bank shall be deemed to be a Service Fund within the meaning of this clause.

(B) to rule—

(9) that a claim to exemption preferred under Section 5, Sub-section (1), clause (*g*), of the Act on that portion of income taxable under Part I, of the second schedule of the Act which is paid as a premium to an Insurance Company shall not be entertained if the claim is made after the expiration of six months from the last day of the financial year during which the premium was paid;

(10) that officers and men of the Indian Marine Service shall not for the purposes of Section 5, Sub-section (1), clause (*i*), of the Act be treated as belonging to Her Majesty's Indian Forces; and

(11) that for the purposes of the Act—

(*a*) the tentage allowance included in the pay and Indian allowances of an officer in military employ under Article 748 of the Army Regulations, India, Vol. I, Part I, shall be deemed to be salary, unless the

officer has provided and has in his possession the camp equipage of his rank in a serviceable condition ;

(*b*) the horse allowance shown as included in the consolidated or staff pay of the several appointments specified in Article 91 of the Army Regulations, India, Vol. I, Part I, shall be deemed to be salary, unless the officer has provided and actually maintains the number of *bonâ fide* chargers prescribed for his rank.

(G. I., F. & C., Notn. No. 2762, dated 6th June 1890 ; *vide* G. N. No. 2022, dated 11th idem.)

9. In exercise of the powers conferred upon him by Act II of 1886, and of all other powers enabling him in this behalf, and in supersession of the Notifications in the Department of Finance and Commerce,—

(*a*) No. 593, dated the 5th February 1886,
(*b*) „ 674, „ „ 7th May 1886,
„ 2635, „ „ 19th August 1886,
(*c*) „ 3438, „ „ 30th September 1886,
(*d*) „ 2363, „ „ 5th May 1887,
(*e*) „ 4678, „ „ 31st August 1887,

the Governor-General in Council is pleased to make the following rules under the said Act :—

1. The time within which amount deducted from salary, annuity, pension, or gratuity paid by a Local Authority under Section 8, Sub-section (1), of the Act must be paid to the credit of the Government of India is fixed at one week from the date of payment of salary, pension, annuity, or gratuity. The payment to the credit of the Government shall be made by remitting the amount to the Collector with a statement giving the following particulars for each person from whom the tax has been realized :

(1) Name.
(2) Period for which the salary, pension, or annuity has been paid.
(3) Amount of salary, pension, or gratuity paid.
(4) Amount of tax.

2. The return required by Section 10 of the Act shall be in Form A hereto appended.

The name of any person who is receiving, at the date of the return prescribed by Section 10 of the Act, a salary, pension, or annuity which does not amount to Rs. 300 per annum, or has received during the year ending on that date a gratuity which does not amount to that sum, need not be shown in the return.

(*a*) Republished at pages 112 to 119 of Part I of the *Bombay Government Gazette* dated 11th February 1886.
(*b*) „ page 418 „ „ 13th May „
(*c*) „ „ 863 „ „ 7th October „
(*d*) „ „ 382 „ „ 12th May 1887.
(*e*) „ „ 785 „ „ 8th September „

3. Any sums, such as payments to regimental mess or band funds or the like, compulsorily stopped from salary by the orders, or with the approval, of the Government, shall be deducted from the salary previous to assessment.

A portion of salary withheld in pursuance of an order of a Court is not a sum compulsorily stopped from salary within the meaning of this rule.

4. When a deduction is made from the amount of salary, pension, or annuity liable to assessment on account of a payment made to a Life Insurance Company, the sum deducted shall, if the premium is payable in sterling, be the actual cost of remittance as stated by the assessee; or, if the assessee is unable to state such actual cost, the equivalent in rupees of the sterling payment calculated at the official rate of exchange for the year in which the deduction is made.

5. A deduction such as is mentioned in the preceding rule must be supported either—

(1) by the original receipt of the Insurance Company; or

(2) (in the case of a deduction claimed by a servant of the Government or of a Local Authority) by a copy of the same presented, together with the original, to the officer who pays the salary, pension, or annuity, and attested by that officer, who should, after such attestation, return the original; or

(3) by a duplicate receipt given by the Insurance Company; or

(4) by a certificate of payment given by the Insurance Company.

In cases (1), (3), and (4), the receipt or certificate should be returned as soon as the fact of payment is admitted in the due course of audit.

Where the Collector is satisfied that none of the above prescribed documents can be produced without an amount of delay, expense, or inconvenience which, under the circumstances of the case, would be unreasonable, he may accept such other proof of payment of the premium as he may deem sufficient.

6. The amounts exempted from the tax by Section 5, Sub-section (1), clause (*g*), of the Act, and referred to in Rule 4 of these rules, shall not be deducted from income for the purpose of determining whether the income is liable to the tax, or of determining under Part I of the second schedule of the Act the rate at which the tax shall be levied.

7. The amount to be assessed under Section 24, Sub-section (1), of the Act on account of a building occupied by the owner thereof shall not in any case exceed 10 per cent. of the aggregate income of the owner derived from all sources. It must not, however, be understood from this that a maximum of 10 per cent. of the aggregate income of the owner is to be assumed in every case as equivalent to the

letting value of his house. The letting value should in all cases be ascertained on the best data available in view of the circumstances of the locality in which the house is situated.

8. After the close of the year of assessment, each Accountant General or other auditing officer shall submit Return No. 1, in the form hereto appended, to such officer as the Local Government may direct.

9. The certificate referred to in the second column of Part III of the second schedule of the Act shall be in Form B or in Form C hereto appended.

10. Any claim under Section 5, Sub-section (1), clause (*e*), of the Act to exemption from the levy of the tax on the interest of securities employed solely for religious or public charitable purposes within the meaning of that clause must be supported by a certificate from the Collector, which shall be in Form D hereto appended.

11. In the case of securities the interest on which is payable by the Government of India, the amount deducted on account of the tax under Section 13, Sub-section (1) of the Act shall be paid to the credit of the Government on the same day as the payment of the interest is made.

12. In the case of securities the interest on which is not payable by the Government of India, the amount so deducted shall be paid to the credit of the Government within one week from the date on which interest is paid. The person deducting the amount should pay it to the credit of the Government by remitting the amount to the Collector, with a statement showing the following particulars :

(1) Name of owner.
(2) Description of security.
(3) Number of security.
(4) Date of security.
(5) Amount of security.
(6) Period for which interest is drawn.
(7) Amount of interest.
(8) Amount of tax.

13. After the close of the year of assessment each Accountant General and Comptroller shall submit Return No. II, in the form hereto appended, to such officer as the Local Government may direct.

14. In calculating the amount of tax payable, the amount due on a fraction of a rupee shall be neglected. Thus the tax to be realized on a monthly salary of Rs. 166-10-8 is Rs. 4-5-2 only.

15. All public servants are forbidden to make public or disclose, except for the purpose of the working of the Act, any information contained in documents delivered or produced with respect to assessments under Part IV of the second schedule of the Act, and any public servant committing a breach of this rule shall be deemed to have committed an offence under Section 166 of the Indian Penal Code.

All public servants are further enjoined to be most careful to regulate their proceedings as far as practicable in such manner as to prevent information which should be kept secret from becoming known. It should be noted that information of this nature is to be withheld by officers administering the Act from persons in the employment of assessees.

16. Power to make further rules is hereby delegated to the several Local Governments, and no rules already made by Local Governments, under authority given by the Governor-General in Council, shall be deemed to be cancelled by the supersession of any of the notifications quoted in the present notification.

17. Each Local Government will prescribe forms of registers to be maintained by Collectors and others for the purpose of showing the demand and collections of the tax, the various classes of incomes assessed, and the working of the several provisions of the Act.

18. After the close of the year of assessment, each Local Government will submit to the Government of India in the Finance and Commerce Department a report on the working of the Act.

19. The following returns in the forms hereto appended will be submitted with that report;

Return I, } as received from the Account-
„ II, } ant General or Comptroller,
or other auditing officer.

„ III,
„ IV,
„ V,
and „ VI.

FORM A.

(RULE 2.)

Return made by the Principal Officer of every Local Authority, Company, Public Body, or Association under Section 10 of Act II of 1886.

Designation of { Local Authority, / Company, / Public body, or / Association.

Name of employé pensioner, annuitant, or receiver of gratuity.	Address.	Salaries.			Pensions or Annuities.		Gratuities.	
		Employment.	Rate of salary.	Dates on which payable.	Rate of pension or annuity.	Dates on which payable.	Amount.	Dates on which paid.

FORM B.

(RULE 9.)

I, , Collector of , do hereby certify that the income of [*name*] owner of the $\frac{\text{security}}{\text{securities}}$ specified below, including the interest on $\frac{\text{that security}}{\text{those securities}}$, but excluding income from agriculture, is less than Rs. 500 a year.

Dated

Collector of

Description of security.	Number.	Date.	Amount.

FORM C.

(RULE 9.)

I, , Collector of , do hereby certify that the income of (*name*) owner of the $\frac{\text{security}}{\text{securities}}$ specified below, including the interest on $\frac{\text{that security}}{\text{those securities}}$, but excluding income from agriculture, is less than Rs. 2,000 a year.

Dated

Collector of

Description of security.	Number.	Date.	Amount.

FORM D.

(RULE 10.)

I, , Collector of , do hereby certify that the interest on the $\frac{\text{security}}{\text{securities}}$ specified below, standing in the name of , is employed solely for $\frac{\text{religious}}{\text{public charitable}}$ purposes.

Dated

Collector of

Description of security.	Number.	Date.	Amount.

RETURN No. I.

(RULES 8 AND 19.)

Statement showing the Collections of the Tax under Act II of 1886 from Salaries, Pensions, Annuities, and Gratuities paid by the Government in the year 189 .

Class.	Income.	Paid by the Government.								Remarks.
		Salaries.		Pensions and Annuities.		Gratuities.		Total.		
		Number of assessees.	Amount of tax.	Number of assessees.	Amount of tax.	Number of assessees.	Amount of tax.	Number of assessees.	Amount of tax.	
1	2	3	4	5	6	7	8	9	10	11
	Rs. Rs.		Rs.		Rs.		Rs.		Rs.	
I	500, but less than 750									
II	750 ,, ,, 1,000									
III	1,000 ,, ,, 1,250									
IV	1,250 ,, ,, 1,500									
V	1,500 ,, ,, 1,750									
VI	1,750 ,, ,, 2,000									
	Total I to VI ...									
VII	2,000, but less than 2,500									
VIII	2,500 ,, ,, 5,000									
IX	5,000 ,, ,, 10,000									
X	10,000 ,, ,, 20,000									
XI	20,000 ,, ,, 30,000									
XII	30,000 ,, ,, 40,000									
XIII	40,000 ,, ,, 50,000									
XIV	50,000 ,, ,, 1,00,000									
XV	1,00,000 and more ..									
	Total VII to XV ..									
	Grand Total ..									

RETURN No. II.

(RULES 13 AND 19.)

Statement showing the Collections of the Tax under Act II of 1886 from interest on Securities in the year 189 .

Class.	Rat of tax.	Securities of the Government of India.		Bonds or Debentures charged by Parliament on the revenues of India.		Security of Local Authority or Company.		Total.		Remarks.
		Amount of securities.	Amount of tax.	Amount of securities.	Amount of tax.	Amount of securities.	Amount of tax.	Amount of securities.	Amount of tax.	
		3	4	5	6	7	8	9	10	
I to VI...	At 4 pies in the rupee ...									
VII to XV...	At 6 pies in the rupee ...									
	Total ...									

RETURN No. III.

(RULE 19.)

Statement showing the Collections of the Tax under Act II of 1886 in the year 189 .

Class.	Amount of Income.	Salaries, Pensions, Annuities, and Gratuities paid by the Government.		Salaries, Pensions, Annuities, and Gratuities paid by Local Authorities.		Salaries, &c., paid by Companies, Public Bodies, Associations, and Private Employers.				Profits of Companies.		Interest on Securities.	Other Sources of Income.		Total Collection of tax.		Penalties by Collector.	Fines by Magistrate.	Total of 17, 18 and 19.	Refunds.	Net Collections.	Remarks.
						Tax levied under Section 9 (1).		Tax levied under Section 9 (2).														
		Number of assessees.	Amount of tax.	Number of assessees.	Amount of tax.	Number of assessees.	Amount of tax.	Number of assessees.	Amount of tax.	Number of assessees.	Amount of tax.	Amount of tax.	Number of assessees.	Amount of tax.	Number of assessees.	Amount of tax.						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
	Rs. Rs.		Rs.		Rs.		Rs.		Rs.		Rs.	Rs.		Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
I	500, but less than 750																					
II	750 ,, ,, 1,000																					
III	1,000 ,, ,, 1,250																					
IV	1,250 ,, ,, 1,500																					
V	1,500 ,, ,, 1,750																					
VI	1,750 ,, ,, 2,000																					
	Total I to VI ...																					
VII	2,000, but less than 2,500																					
VIII	2,500 ,, ,, 5,000																					
IX	5,000 ,, ,, 10,000																					
X	10,000 ,, ,, 20,000																					
XI	20,000 ,, ,, 30,000																					
XII	30,000 ,, ,, 40,000																					
XIII	40,000 ,, ,, 50,000																					
XIV	50,000 ,, ,, 1,00,000																					
XV	1,00,000 and more																					
	Total VII to XV ...																					
	Grand Total ...																					

B 1936—92 FINE.

RETURN No. IV.

(RULE 19.)

Statement showing the Original and Final Demands and Uncollected Balances of sums due under Act II of 1886 in the year 189 .

Part of the Act under which the Income is assessed.	ORIGINAL DEMAND.		REVISION BY COLLECTOR.		REVISION BY COMMISSIONER.		FINAL DEMAND.		PENALTIES BY COLLECTOR.		FINES BY MAGISTRATE.		ARREARS OF PREVIOUS YEAR.	Total of columns 9, 11, 13 and 14.	COLLECTIONS.					Balance.	Remarks
	Number of assessees.	Amount of tax.	Number of petitions or objections.	Demand after disposal.	Number of petitions or objections.	Demand after disposal.	Number of assessees.	Amount of tax.	Number.	Amount.	Number.	Amount.	Amount.		Tax.	Penalties.	Fines.	Arrears.	Total.		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Chapter III A and Part I, Schedule II.																					
Chapter III B and Part II, Schedule II.																					
Chapter III C and Part III, Schedule II.																					
Chapter III D and Part IV, Schedule II.																					
Total ...																					

RETURN

(RULE

Classified Statement of the Incomes on which the Tax was

Sources of income.			I. Rs. 500—750.		II. Rs. 750—1,000.		III. Rs. 1,000—1,250.		IV. Rs. 1,250—1,500.		V. Rs. 1,500—1750.		VI. Rs. 1,750—2,000.		Total. I—VI.		VII. Rs. 2,000—2,500.	
			No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.
				Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.
PART I.—(Salaries.)	(a) Paid by Govt.	Salaries																
		Pensions, &c.																
		Gratuities																
		Total (*a*)																
	(b) By Local Authorities.	Salaries																
		Pensions, &c.																
		Gratuities																
		Total (*b*)																
	(c) By Companies, &c.	Managers, &c.																
		Inspectors																
		Clerk																
		Shopmen																
		Others																
		Total (*c*)																
		Grand Total																
PART II.—(Companies.)		Banking																
		Building																
		Cotton Spinning, &.																
		Gass																
		Hotel																
		Ice																
		Insurance Fire																
		Ditto Life																
		Ditto Marine																
		Land																
		Press																
		Railway																
		Shipping, &c.																
		Telegraph and Telephone																
		Trading																
		Tramway																
		Miscellaneous																
		Total II																
PART III.—(Securities.)	From Return II.	Securities of Government of India.																
		Securities secured by Parliament on the revenues of India.																
		Securities of Local Bodies																
		Securities collected in District.																
		Total III																
PART IV.—(Other Sources.)	(a) Professions.	1. Religion																
		2. Education																
		3. Fine Arts																
		4. Baristers, &c.																
		5. Other Legal Practitioners																
		6. Medicine																
		7. Engineering																
		8. Other Professions																
		Total (*a*)																
	(b) Commerce.	Agents																
		Brokers																
		Contractors																
		Bankers																
		Money-lending and changing.																
		General Merchants																
		Piece-goods ditto																
		Grain ditto																
		Salt ditto																
		Other ditto																
		Total (*b*)																

INCOME TA _ (PART V.

No. V.

19.)

collected for the year 189 in _____

VIII. Rs. 2,500—5,000.		IX. Rs. 5,000—10,000.		X. Rs. 10,000—20,000.		XI. Rs. 20,000—30,000.		XII. Rs. 30,000—40,000.		XIII. Rs. 40,000—50,000.		XIV. Rs. 50,000—1,00,000.		XV. Rs. 1,00,000 and o r.		Total. VII—XV.		Grand Total.	
No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.
	Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.

RETURN

Classified Statement of the Incomes on which the Tax was

Sources of Income.	I. Rs. 500—750.		II. Rs. 750—1,000.		III. Rs. 1,000—1,250.		IV. Rs. 1,250—1,500.		V. Rs. 1,500—1,750.		VI. Rs. 1,750—2,000.		Total. I.—VI.		VII. Rs. 2,000—2,500.	
	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount
		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.
PART IV.—(Other Sources)—*continued.* (c) Transport, &c. — Cart and Carriage builders...																
Do. owners ...																
Livery stable keepers ...																
Ship and boat owners ...																
Hotel and inn keepers ...																
Total (*c*) ...																
(*d*) Trade. — Dealers in animals																
Do. agricultural produce ...																
Do. animal and vegetable substances (not food)																
Do. food																
Do. books and stationery.																
Do. building materials ..																
Do. fuel																
Do. furniture																
Do. metals, &c.																
Do. precious stones, &c.																
Do. salt																
Do. spirits, &c.																
Do. opium																
Do. dress, &c.																
Do. other articles.. ..																
Total (*d*) ...																
(*e*) Manufacture. — Cotton goods																
Builders																
Artisans																
Indigo																
Metals, &c.																
Silk																
Spirits, &c.																
Sugar																
Woollen goods																
Others																
Total (*e*) ..																
(*f*) Property. — House proprietors																
Newspaper proprietors ..																
Printing Press proprietors..																
Taxable estate-holders ...																
Total (*f*) ..																
ABSTRACT.																
I.—SALARIES																
Paid by Government ..																
Others																
II.—COMPANIES.																
III.—SECURITIES—																
Head Office ..																
Other Treasuries ..																
IV.—OTHER SOURCES.																
TOTAL, EXCLUDING RETURNS I and II ..																
GRAND TOTAL. ..																

No. V—*continued.*

collected for the year 189 *in* _____ continued.

VIII. Rs. 2,500—5,000.		IX. Rs. 5,000—10,000.		X. Rs. 10,000—20,000.		XI. Rs. 20,000—30,000.		XII. Rs. 30,000—40,000.		XIII. Rs. 40,000—50,000.		XIV. Rs. 50,000—1,00,000.		XV. Rs. 1,00,000 and over.		Total VII—XV.		Grand Total.	
No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.
	Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.

RETURN No. VI.

(RULE 19.)

Statement of Expenditure incurred in the assessment and collection of the Tax under Act II of 1886 in the year 189

Head.	Amount.	Remarks.
1	2	3
Establishment		
Travelling allowance		
Contingencies		
Total ...		

(G. I., F. & C. Notn. No. 2763, dated 6th June 1890; *vide* G. N. No. 2022, dated 11th idem.)

PART VI.—POWERS OF OFFICERS.

1. His Excellency the Governor in Council is pleased, under the provisions of Section 40 of Act II of 1886, to appoint the Political Resident, Aden, for the time being to exercise the powers of a Commissioner under the aforesaid Act in the area subject to his authority. (G. N. No. 784, dated 19th March 1886.)

2. The Treasury Officer at Aden is appointed to be Collector of Income Tax at Aden, and in such capacity he will exercise all the powers of a Collector, excepting those under Section 31. He should submit to the Political Resident for orders all applications for composition of the tax under that section. (G. R. No. 1045, dated 12th April 1886.)

3. The Assistant Resident at Perim is appointed to be Collector of Income Tax in the Island and invested with powers under the sections of the Income Tax Act named marginally and with powers under paragraph 2 of Government Notification No. 2321, dated 4th August 1886. (G. R. No. 1402, dated 6th June 1887.)

9 (2), 10, 11, 14, 16, 17, 18-1 (*b*), 25, 26, 27, 31 and 32.

4. In confirmation of the separate orders issued up to date, His Excellency the Governor in Council is pleased, under Section 40 of Act II of 1886, to direct that the powers and duties hereinbelow specified, which are conferred and imposed by the above Act on a Collector and a Commissioner of Division, respectively, may be exercised and performed in the Presidency of Bombay as follows (namely):—

Powers and Duties of a	Under	By	In
1	2	3	4
Collector (1)...	Sections 8 (3), 9 (2), 10, 14, 15 (2), 32, and 16 and 17, except the entertaining applications for the revision of assessment.	Mámlatdárs and Mahálkaris in the Presidency Proper, and by Mukhtyárkars and the Kotwál of Kohistán in Sind.	Their ordinary revenue charges and within the limits of areas or places for which they have been specially appointed Collectors for the purposes of this Act.
Do. (2)...	As above	Ráo Sáheb Anupram Bálmukandás.	The cities of Surat and Broach.
Do. (3)...	As above	Mr. Narsingráo Krishnárao Vinchurkar.	The villages belonging to the Vinchurkar Estate in the Násik Collectorate.
Do. (4)...	All sections of the Act conferring powers or imposing duties on a Collector, except Section 31.	Huzúr Deputy Collectors, including those in Sind (except those of Ahmedabad, Surat, Broach, Belgaum and Dhárwar), the City Magistrate, Poona, and the Town Magistrate, Shikárpur.	The cities in which their offices are situated (including the adjacent Cantonments, and in Poona the Suburban Municipality).

Powers and Duties of a	Under	By	In
1	2	3	4
Collector (5)...	All Sections of the Act conferring powers of imposing duties on a Collector, except Section 31, with the further exception of the powers conferred on officers of the rank of Mámlátdar, &c., under the sections mentioned in paragraph (1) above.	The Huzúr Deputy Collector of Surat, Broach, Belgaum and Dhárwár, and the City Magistrate, Ahmedabad	The cities in which their offices are situated (including the adjacent cantonments).
Do. (6)...	Sections 11, 12, 25, 26, 28, 30, 33, and 36.	Assistant and Deputy Collectors in charge of subdivisions of districts, including those in Sind.	Their ordinary revenue charges, excluding places or areas for which a Deputy Collector or a Town or City Magistrate has been invested with the powers here specified.
Do. (7)...	Section 31... ...	Collectors of Districts, including the Collectors and Deputy Commissioners in Sind.	Their respective districts.
Commissioner of Division (8).	Sections 27, 28, 34, (2).		
Local Government (9).	Section 47 (2) (4) ...		

(G. R. No. 2235, dated 29th July 1886.)

5. In modification of the orders issued under Section 40 of Act II of 1886 in Government Resolution No. 2235 of 29th July 1886, the Governor in Council is pleased to direct as follows, *viz.* :—

I.—If the Collector of a district thinks fit to hear any petition or any class of petitions arising in his district for revision of assessment under Chapter IV of the said Act, he may, for this purpose, exercise the powers and perform the duties of a Collector under Sections 25, 26 and 28 of the said Act in respect of such petition or class of petitions; and in such case, the said powers and duties shall not vest in respect of the said petition or class of petitions in the officer in whom, under the orders aforesaid, such powers and duties ordinarily vest, but in the Collector of the district.

II.—The powers and duties of a Commissioner under Sections 27 and 28 of the said Act shall, in any case which the Collector of a district disposes of under paragraph I, be exercised and performed by the Commissioner to whom the said Collector is subordinate; and in any such case, the said powers and duties shall not vest in the officer in whom, under the orders aforesaid, such powers and duties ordinarily vest, but in the said Commissioner.

III.—In this Resolution, "Collector of a district" includes, in Sind, a Deputy Commissioner. (G. R. No. 1588, dated 7th April 1892.)

6. The Political officers named in the margin are invested with the powers of a Collector under the Income Tax Act II of 1886, for the purpose of granting certificates

Political Agent, Káthiáwár.
" " Cutch.
" " Kolhápur and Southern Maratha Country.
" " Rewa Kántha.
" " Mahi Kántha.
Political Superintendent, Pálanpur.
" " Sávantvádi.

in respect of interest on Government securities in Forms B, C and D prescribed in Rule 9 of the notification of the Government of India republished in the *Bombay Government Gazette* under Financial Department No. 354, dated 10th February 1886, when such securities are held by persons residing outside of British India. (G. R. No. 2988, dated 7th November 1887.)

7. The Political officers named in the margin are invested with the powers of a Collector for the purpose of granting the certificates referred to in paragraph 2 of the letter of the Government of India, No. 810, dated 20th May 1886, embodied in the preamble of Government Resolution No. 1649, dated 10th June 1886. (G. R. No. 3659, dated 30th November 1888.)

Political Agent, Káthiáwár.
" " Cutch.
" " Kolhápur and Southern Marátha Country.
" " Rewa Kántha.
" " Mahi Kántha.
" Superintendent, Pálanpur.
" " Sávantvádi.

8. The Collectors of Districts are authorized to grant refunds of income tax in cases of error *ab initio* in the assessment of salaries as well as other sources of income. (G. Rs. Nos. 2466, dated 18th August 1886, and 2497, dated 10th September 1887.)*

9. Village officers need not be empowered to grant receipts under Section 32 of the Income Tax Act. (G. Rs. Nos. 2813, dated 15th October, and 3470, dated 23rd December 1887.)

Those of the tapadárs in Sind whom it may be considered necessary by the Commissioner to empower in this behalf, are authorized to grant receipts under Section 32 of the Income Tax Act. (G. R. No. 1625, dated 29th May 1888.)

10. Commissioners are authorized to provide in the budgets for temporary income tax establishments within the amount provided for each district in the estimates for the year 1890-91, and to sanction such establishments within budget limits. (G. Rs. Nos. 2720, dated 14th August 1890, and 3648, dated 3rd November 1890.)

11. The Commissioner in Sind and the Commissioners of Divisions are authorized to write off irrecoverable outstandings under the Income Tax Act, but each Commissioner should submit annually a statement of the cases in which outstandings have been written off showing the amount written off in each case and the reason for so doing. In these statements the Commissioners should enter the years

* "In reply to your memorandum No. 2850, dated 20th instant, I have the honour to state that the Collectors' authority for the refund of income tax under Part I will be accepted under the ruling of Government Resolution, Financial Department, No. 2466, dated 18th August 1886. . . . . In the case of Political Agents, who are the Collectors of their Districts, refunds of a similar nature made by them will also be accepted." (Letter from the Accountant General, No. T.A.I.—15510, dated 24th September 1886.)

(in case there is more than one) in the column headed District, *e. g.*:—

Ahmednagar—
1891-92
1892-93
1893-94

and to add at the foot of the form a resumé, such as—

	Rs.	a.	p.
Total, 1891-92 ...	.....		
1892-93 ...	.....		
1893-94 ...	.....		

The amount written off during the latest year (which would be the one for which the report would be submitted) would then be seen at a glance.

(G. Rs. Nos. 2155, dated 11th July 1888, and 701, dated 27th February 1895.)

12. His Excellency the Governor in Council is pleased, under Section 40 of the Income Tax Act, 1886, to direct that the receipts granted under Section 32 of the Act for the payment of income tax may be signed by the Head Kárkúns of Mámlatdárs or Mukhtyárkars for the latter officers during their absence from head-quarters. (G. R. No. 2684, dated 11th August 1896.)

PART VII.—REPORTS AND RETURNS.

1. Before proceeding to realize the income tax, lists of proposed assessments, in the form laid down in the first 17 columns of Return III appended to the Government of India's Circular No. 593, dated 5th February 1886, should be submitted for approval. The Commissioners of Divisions and in Sind should scrutinize these lists and authorize their publication.

Income tax officers when submitting the lists of assessments under Part IV should show, in a tabular statement under each class of income, the causes of the differences between the proposed assessments and the original and final demands for the preceding year. The object of this order is to enable the Commissioners to detect any downward tendency in assessment, more especially as regards the higher classes of incomes, and thereby to bring to the notice of assessing officers the need for detailed examinations of assessments.

The classes to and from which the several transfers are made should be distinctly specified.

(G. Rs. Nos. 1903, dated 2nd July 1886; 1175, dated 22nd March 1883, 2547, dated 20th July 1891, 1286, dated 18th March 1892, and 3058, dated 1st September 1893.)

2. In the lists of income tax assessments, the explanation of variations in the proposed assessments from those of the previous year should be given with reference to the gross, not net, increases and decreases. (G. R. No. 2491, dated 27th June 1889.)

3. The variations of the proposed assessments from those of the preceding year should be explained separately for each táluka under each class. (G. R. No. 1908, dated 4th June 1890.)

4. In the lists of income tax assessments, the variations in the proposed assessments for every year should be explained with reference not only to the final demand of the preceding year, but also to the original assessment of that year.

The causes of increase and decrease *under each class* should be explained separately.

(G. Rs. Nos. 1889 and 1890, dated 27th May 1891.

5. The classes to and from which the several transfers are made should be specified distinctly in the lists of income tax assessments under Part IV. (G. R. No. 1018, dated 3rd March 1892.)

6. The variations both in the number of assessees and the amount of assessment in each class should be fully explained, and the classes to and from which the several transfers are made should be distinctly specified in the lists of income tax assessments. (G. R. No. 2446, dated 12th July 1893.)

7. It is not considered necessary that the Board of Revenue, North-Western Provinces and Oudh, should be furnished with extracts from the returns

of realizations from officers in the North-Western Provinces and Oudh whose salaries are audited by any auditing officer other than the Accountant General. It is considered most convenient that the Accountant General, Military Department, the Accountant General, Public Works Department, the Comptroller of Post Office Accounts, and the Comptroller of India Treasuries should each prepare one complete annual return in Form No. I showing the realizations from officers serving, respectively, in the Military Department, the Public Works Department, the Post Office, and the Salt and other Departments of which the operations extend over more than one province, and of which the receipts and expenditure are not recorded on the books of the provincial Accountant General. The preparation of those returns by province would give considerable trouble without sufficient advantage. Extracts of the returns relating to the Forest Department, the transactions of which are recorded on the books of provincial Accountants General, will, however, be furnished for each province by the Comptroller and Auditor General. (G. I., F. & C., No. 958, dated 22nd May 1886; *vide* G. R. No. 1733, dated 17th June 1886.)

8. The particulars regarding the tax recovered under Parts I and III of Schedule II of the Act have to be furnished to the Government of India in general statements for the whole Presidency, and these particulars should be excluded from the district returns submitted by Collectors. (G. R. No. 2463, dated 18th August 1886.)

9. The Accountant General, Public Works Department, has been directed to prepare one complete return in Form No. I showing the realizations on account of income tax from officers serving in the Public Works Department in all provinces; the return for the officers of the Public Works Department in each province need not therefore be furnished to Local Governments. (G. I., F. & C., No. 2860, dated 31st August 1886; *vide* G. R. No. 2840, dated 17th September 1886.)

10. Under the orders of the Government of India, Return No. I, showing the realizations on account of income tax from officers serving in the Public Works Department in this Presidency, will not be utilised in completing the Provincial Return No. I, but a copy of the return which will be submitted by the Examiner of Public Works Accounts to the Public Works Department may also be furnished to the Financial Department for information. (G. R. No. 3092, dated 12th October 1886.)

11. In the annual income tax returns the terms "Revenue," "Refunds" and "Remissions" should be understood to mean, respectively, all sums actually collected, items collected and subsequently refunded and items written off the revenue returns without being collected or refunded. (G. R. No. 1923, dated 22nd July 1887.)

12. The Commissioner in Sind and the Divisional Commissioners should submit quarterly returns showing the outstanding balance on account of income tax in each district of their respective divisions. (G. R. No. 1344, dated th7 May 1888.)

13. The returns of outstanding balances of income tax should be submitted at the latest within six weeks after the close of the quarter to which they relate. Information should be furnished at the same time regarding the actual date of publication of the several assessment lists within each Division. (G. R. No. 1792, dated 27th May 1890.)

14. Registers of income tax collections should be kept in the following form, copies of which should be kept in stock at the Government Central Press for supply to the officers concerned according to their requirements:—

Date of Receipt.	No.	Date of Chalan.	From whom received.	Income Tax at the rate of								Total Tax.	Fines and Penalties. under Section 30.	Arrears.	Total.	Refunds.	Remarks.
				Rs. 10	Rs. 15	Rs. 20	Rs. 28	Rs. 35	Rs. 42	Total $\frac{4}{192}$	Total $\frac{5}{192}$						

(G. R. No. 1599, dated 4th June 1888.)

15. The following instructions have been laid down by the Government of India as regards the income tax returns generally which it requires for its own purposes:—

(*a*) The totals in different forms must agree.

(*b*) The total collections should be certified, as far as possible, by the Accountant General or Comptroller concerned. It is suggested that a certificate should be obtained from the Account Officer as to the total credits in each district, and that any discrepancy could then be reconciled at once. If for administrative purposes any Local Governments desire to include in any of the returns collections made after the close of the year, the total of such collections should be separately shown.

(*c*) The returns should not in any case include annas and pies, whole rupees only being entered in them.

(*d*) Return IV (statement showing the original and final demands and uncollected balances of sums due under the Act in the year) should not include in any of its columns the collections made by the Accountant General by deductions from salaries.

Details by districts should not be given in the returns forwarded to the Government of India; the only exceptions to this rule are that—

(*a*) separate returns should be rendered for the Presidency towns, or the details for such towns should be exhibited separately in the single set of returns;

(*b*) an additional return should be submitted showing the total assessment and collection for each district. No further details need be given in this return, but its totals should agree with those given in the other returns. If any Local Government prefers to show details below districts in this return (*e.g.*, by giving details for tahsils or for important towns), there is, of course, no objection.

(G. I., F. & C., No. 1925, dated 14th April 1888; *vide* G. R. No. 1714, dated 5th June 1888.)

16. It is desirable that the simplest possible plan should be adopted for ascertaining every month whether the income tax collection returns kept by Revenue officers, and which, in a consolidated form, are eventually embodied in the reports submitted to Government agree with the returns of collections shown in the Accountant-General's books. A check for which Collectors should be responsible should therefore be made every month, and the Accountant General should send returns of the district collections recorded in his books to Collectors every month. The Collectors on receiving these returns should compare them with their own and forward them to their respective Commissioners with a certificate that the requisite agreement exists, or with an explanation—which, it may be observed, should rarely be necessary—of any disagreement. This check will be much facilitated if the statement forwarded by the Accountant General contains the headings given in the returns kept up by Revenue officers, and which are eventually submitted to the Government of India. The requisite headings are—

(1) Part I, (*b*) and (*c*).—Tax on salaries, &c., paid by Local authorities and Companies.

(2) Part II.—Tax on profits of Companies.

(3) Part III (*c*).—Tax on interest on securities of Local authorities and Companies.

(4) Part IV.—Tax on other sources of income.

(5) Fines and penalties.

Collections under Part III (*c*), (Tax on interest on securities of Local authorities and Companies) should not be excluded from Collectors' returns. These collections are made by Revenue officers; the standard forms of revenue returns have been specially prepared with a view to the insertion therein not only of *collections* but of various other particulars under this head, and there appears to be no sufficient reason why the officer responsible for such collections should not include them in his report and returns as well as all the other items of income tax to the collection of which his duties extend.

In scrutinizing the monthly returns the Commissioners should bear in mind the fact that the returns of Collectors ought to agree *absolutely* with those of the Accountant General. No explanation

of a disagreement should be accepted unless the circumstances are very exceptional.

(G. Rs. Nos. 1760, dated 3rd May 1889, and 2136, dated 1st June 1889.)

17. It is not advisable to relieve the Commissioners as controlling officers of the duty of seeing that the Revenue and Account Department figures agree. The Accountant General should therefore continue to send to the Commissioners the income tax returns as directed in the Civil Account Code, sending at the same time a duplicate of the same returns to the Collectors.

In connection with these revenue returns, it is important to remember that the Government accounts of a particular month are never altered even though admitted to be incorrect, but corrections are made by means of a plus or minus entry in the accounts of a succeeding month, and it is important, therefore, to secure an agreement not so much with the figures of each month as with the progressive total to the end of the month. For example, Rs. 50 is misclassified in April, and the mistake corrected in May—if a similar mistake does not occur in the Revenue returns, comparison of the current month's figures for April and again for May will indicate an error of Rs. 50, but the progressive total from 1st April to 31st May will, in the absence of other errors, show an agreement, and it is therefore with the progressive totals that the comparison should be made.

(G. R. No. 2519, dated 1st July 1889.)

18. Certain cash allowances were paid in the —— district both in the year 1894-95 and in the year 1895-96 without the income tax being deducted from them. The tax was subsequently recovered in cash and credited under Part IV in the treasury accounts, but was shown under Part I in the returns submitted by the Collector of the District with his annual reports on the working of the Income Tax Act. The proper course, however, would have been to credit the amount when recovered to cash recoveries, in which case it would have been adjusted by the Accountant General under Part I. Failing this, the Collector should have written to that officer to get the amount transferred from Part IV to Part I. In future, whenever any mistake of the kind occurs, this course should be followed. The attention of all Collectors should be drawn to the Accountant-General's letters quoted in the preamble of Government Resolutions No. 1760 and 2519, dated 3rd May and 1st July 1889, respectively, and they should be requested not to show in Returns Nos. III—VI to be submitted by them, collections of the tax from salaries, pensions, &c., paid by Government, which form the subject of Return No. I to be submitted by the Accountant General to Government. (G. R. No. 1225, dated 17th March 1897.)

19. If the procedure described by the Commissioner, C. D., in the marginally given extract from paragraph 4 of his No. $\frac{R}{4444}$, dated 18th October 1892 (*vide* also the orders contained in paragraph 10 (3) of Section 1, Part III, page 297 of the Manual of Revenue Accounts) is observed, differences between the Revenue and Finance Returns would at once be detected and could be rectified before the finance accounts of the year are closed. Mistakes due to carelessness will sometimes occur, but even these may be corrected if they are discovered and reported to the Accountant General not later than the 1st of July of each year. (G. R. No. 2876, dated 18th August 1893.)

"The Mámlatdárs should be called on to submit monthly returns as *income-tax collectors*, not as *sub-treasury officers* * * * *. Errors in classification could only be detected by comparison of figures compiled from two different stand points; otherwise the verification is a mere farce."

20. The following standard form of Income Tax Administration Report was sanctioned by Government Resolution No. 4005, dated 1st October 1889:—

FORM OF INCOME TAX REPORT.

1. Submission of Report with appendix, *viz.*:—

Bombay Form 4. No. III.—Statement showing the collections of the tax under Parts I, II, III and IV, of Schedule II of the Act.

Bombay Form 29. No. IV.—Statement showing the original and final demand and uncollected balances of sums due at the close of the year.

Bombay Form 30. No. V.—Statement showing the classification of incomes on account of which the tax was collected during the year.

Bombay Form 31. No. VI.—Statement of expenditure in the assessment and collection of the tax.

Commissioner, S.D.'s Return, printed at page 39 of the Compilation of Reports for 1887-88—copy appended. No. VII.—Statement showing the total assessments and collections in each táluka of the districts of the Division.

2. State whether agreement exists between the Returns (III, IV and V) *under each part*, or else explain each case of disagreement.

Submit an appendix (Appendix A)* showing the amount of the tax brought on the books of the Accountant General and that shown in the Collector's Returns, and explain any discrepancies as therein done.

Administration.

Assessment. 3. State who framed the assessment lists; on what basis the assessing officers proceeded, and how they performed the work.

Revision. 4. State what officers exercised the power of revision under Section 25 of the Act in the several districts of the Division.